



## INVITATION TO BID

**SOLICITATION TITLE:** MPA #106 Off Road Fuels: BioHeat, Kerosene and Off Road Ultra Low Sulfur Diesel.  
**SOLICITATION NUMBER:** 7550220  
**BID PROPOSAL SUBMISSION DEADLINE:** February 23, 2016 at 10:00 AM

**QUESTIONS** about this solicitation must be emailed and received by the Division of Purchases at [doa.purquestions3@purchasing.ri.gov](mailto:doa.purquestions3@purchasing.ri.gov) no later than Tuesday, February 09, 2016, 5:00 PM, in a Microsoft Word attachment with the corresponding solicitation number. Questions, if any, and responses will be posted on the Division of Purchases website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov) as an addendum to this solicitation

**BID BOND REQUIRED:**  NO  
 YES

**PAYMENT AND PERFORMANCE BOND REQUIRED:**  NO  
 YES

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**RIVIP REGISTRATION:** Bidders must be registered vendors through the online Division of Purchases Rhode Island Vendor Information Program at [www.purchasing.ri.gov](http://www.purchasing.ri.gov). To register or update information, click on "Vendor Center," then "Vendor Information" from the dropdown menu on the left.

**BIDDER CERTIFICATION COVER FORM:** Bidders must download (obtainable at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)), complete, and submit a Bidder Certification Cover Form with each bid proposal.

The State of Rhode Island through its, Department of Administration, Division of Purchases, is soliciting bid proposals to perform the work described in the plans and specifications for the Project in accordance with this solicitation.

Bidders are invited to submit bid proposals to the Division of Purchases by the bid proposal submission deadline.

This solicitation contains, and is subject to the terms and conditions of, the Invitation to Bid, Instructions to Bidders, Bid Preparation Checklist (with applicable forms), Agreement, General Conditions, any Supplemental Conditions, Specifications and Plans, Bidder Certification Cover Form, and Bid Form. The solicitation is available at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).

The award of the contract pursuant to this solicitation will be made to the responsive and responsible bidder with the lowest bid price. *The Division of Purchases reserves the right to waive any technicalities in the bid proposals, accept or reject any bid proposal, award a contract in the best interest of the State, or revoke any solicitation.*



**Buyer Name: Thomas Bovis, Title: Interdepartmental Project Manager**

**MPA #106 Off-Road Fuels: BioHeat, Kerosene and Off Road Ultra Low Sulfur Diesel.**  
Solicitation #7550220

**Background information**

The State of Rhode Island requests responses from qualified Contractors to provide the delivery of Off-Road ultra-low sulfur Diesel, ultra-low sulfur No. 2 heating oil with B100 biodiesel blends (referred to here as BioHeat) and Kerosene to eligible entities listed within ten (10) districts, plus Block Island, which encompass the entire State of Rhode Island. All fuel requirements will be divided along these district lines. The district lines will follow Town/City boundary lines. Bids will be accepted for all the fuel requirements as a single line item per each district. For each district there are separate lines for each item, Off-Road ultra-low sulfur Diesel, B5 BioHeat, B20 BioHeat, and Kerosene. All BioHeat blends must consist of ultra-low sulfur No. 2 Heating Oil (No. 2 S15) mixed with B100.

**Bidding**

Only a single price differential will be considered for each district a vendor chooses to bid.

It is not required to submit a cost proposal for all four categories within Districts in order for the vendor's proposal to be considered.

It is essential that Contractor(s) provide high quality fuel and reliable delivery service throughout the term of the Contract(s).

Similar or related services may be added to the Contract during the life of the Contract by mutual agreement between an awarded Contractor and the State of Rhode Island if it is in the best interest of the State to do so.

**Number of awards**

There can be up to four (4) awards for each district. Bidders may be awarded multiple district/contracts.

**Contract Duration**

The initial term of this Contract is one (1) year. In addition, this contract has four (4) one year renewal options with a maximum contract term of five (5) years (including the initial term and all renewal options). The State retains the right to negotiate terms and alternative pricing methodology with the awarded vendors for the extension periods.

**Districts for Bidding as Follows:**

District 1: Burrillville, Gloucester

District 2: Woonsocket, North Smithfield, Smithfield, Cumberland, Lincoln, Central Falls, North Providence

District 3: Foster and Scituate

District 4: Coventry, West Greenwich

District 5: Pawtucket, Providence, Johnston, East Providence

District 6: Warwick, East Greenwich, West Warwick, Cranston

District 7: Hopkinton, Richmond, Exeter, Charlestown, Westerly

District 8: North Kingston, Jamestown, Narragansett, South Kingstown

District 9: Warren, Bristol

District 10: Tiverton, Portsmouth, Middletown, Little Compton

Block Island:

**Municipality Clause:**

Vendor will furnish all items quotes herein to any City, Town or other Governmental Subdivision at the same prices and terms as quoted to the State of Rhode Island. All ordering and Billing to be between Vendor and Governmental Unit involved. Prices will be those as quoted to the State Agencies on the District Basis.

For the purpose of this solicitation, the thirty eight Cities and Towns are grouped according to districts one (1) through ten (10), plus Block Island

**Award:**

Awards shall be made on the basis of the Lowest Price Differential offered by bidders. In awarding contracts, the State may take into consideration the availability of the material with respect to the location or plants or storage points from which the material will be delivered. Contracts shall be awarded only to establish distributors and dealers which have adequate facilities, in operation, and devoted primarily to selling the grade(s) of fuel oil they wish to offer on the bid proposal. The State reserves the right to reject any or all bids wholly or in part, to waive technicalities and to make award in a manner deemed in the best interest of the State.

**Specifications:**

Bidders must conform to the Department of Health Regulations on limiting sulfur content of fuels and regulations set forth by Mandatory Petroleum Allocation Rules and any other applicable Federal and Rhode Island State regulations and laws. Fuel must also meet the latest version of ASTM D975 or ASTM D396 specifications, whichever is applicable. A laboratory analysis of product may be required at any time during the term of the contract, not to exceed three analysis per product.

**Testing of Fuel**

It is agreed that high quality fuels, meeting the specifications of the customer order is a paramount goal of this contract. Vendor assures the State that there are high quality control mechanisms in place to assure

the quality of delivered fuels. Vendor will supply evidence of its quality control plan, if requested. If customer has evidence to believe that the Contractor has delivered fuel of an inferior quality, questionable grade or with contaminants contained within the customer will:

- Have independent testing performed at the contract user's expense, or
- Request that the Vendor have an independent lab conduct such testing and provide results to the Agency and Procurement Manager Energy–Operational Services Division.

In the event that a fuel delivered by the Vendor is tested and determined to be of inferior quality the Contractor will be responsible for all costs associated with the testing, product removal, tank cleaning and proper disposal of the product. All applicable Federal, State and Local regulations must be complied with to meet the requirements of this section. All parties agree that this process must occur immediately, but in no case will exceed 24 hours.

If tests show that the fuel is substandard, then deliveries will be suspended until appropriate standards are met. Any damages or losses incurred by the State will be charged to Vendor. The contract may be canceled if, in the opinion of the State, the fuel supplied or the method of delivery is unsatisfactory. Use another supplier, if suspension of deliveries is deemed necessary. If the State is required to pay a higher price from an alternative supplier the difference will be charged to the contracted vendor.

In the event that the fuel delivered by the Vendor is determined to be of acceptable quality and the agency has requested the vendor to perform such testing, the agency will be responsible for all test expenses.

**Services to Agencies:**

Service (Routine Maintenance) for each location may be required. Bidder to indicate the Hourly Labor Rate for Routine Maintenance.

The provision of service to a State Agency is Mandatory in the consideration of bids. All requirements for services may not be listed within this package. Service as requested by Agency. Vendor must itemize all Hourly Labor invoices indicating the number of workers, hours spent and list price on part and discount.

Agency must authorize the use of more than one worker. Vendor must indicate if subcontractor will be used. Hourly rates for services may be included in determination of award. State Agencies will be responsible to notify selected vendor(s) regarding tank size, delivery location etc.

Vendors are only allowed to service locations they are supplying fuels to.

**Title to Fuels**

The Vendor warrants that it has good and merchantable title to fuel supplies that will be supplied in meeting its obligations pursuant to this solicitation and resulting contract. Further the Vendor warrants that the fuels that it sells to the State and/or other eligible contract users is free from liens and adverse claims of every kind. The Vendor or its successor shall indemnify and hold the State harmless against all loss, damage, and expense of every kind on account of adverse claims which attach before delivery to the contract users' sites.

**Quantity of Fuels**

The Vendor is obligated to supply the full fuel requirements of the contract user to include the purchase, transport, and delivery fuels to each contract user. The Vendor is responsible for all costs associated with the transport of fuels to the contract user's tank.

**Reliable Supply**

The Vendor will take all reasonable and prudent steps to insure contract users of a continuous supply of fuel.

**Delivery**

All deliveries must be metered and delivered when State Personnel are on duty. A blank delivery meter ticket must be presented to an agency employee for verification and signature before delivery to determine that no delivery figures appear on the ticket before meter begins.

After delivery, the same metered ticket as in above must be signed again to verify that the meter had been set back before delivery began.

Bidder must indicate the name and license number of the company involved in the delivery.

Vendor(s) (awarded bidders) must verify operational details about sites which are located in their awarded zone(s) prior to making deliveries. Vendors must deliver to all identified sites located in the awarded zone that are accessible by truck. Delivery of fuels must be made on days and during hours that are acceptable to contract users. Lead time for normal delivery will be 24 hours; 48 hours for holidays and weekends. Deliveries must be in compliance with all applicable Local, State and Federal laws and regulations. Vendors are responsible for paying for any damage they cause at a site. For those sites receiving delivery by tanker or taking an entire compartment, Contractor must provide a verified copy of the Contractor's supplier's statement of delivery.

Trucks must be equipped with adequate spill containment equipment/supplies and the driver must be trained in the proper usage of that equipment. If customers are required to have a SPCC plan in place, the Vendor must become familiar with this plan, and understand their role in any such plan.

The State reserves the right to inspect delivery trucks to verify quantity being delivered. The delivering Vendor must supply means of inspection. Further, facilities management may choose to physically measure the fuel level in a storage tank before and after a delivery ("sticking") in order to verify the amount delivered.

**Emergency Delivery/Dispatch Services**

Vendor must have available dispatch services 365 days a year/24 hours a day/7 days a week. The need for emergency delivery will occur and the Contractor must provide 24 hour, 365 day coverage.

**State of Emergency/Disaster**

In the event of, and for the duration of, any state of emergency or disaster declared by the Governor, the Vendor for any zone in which the emergency or disaster is officially declared shall be prepared to provide continuous twenty-four (24) hour service as directed by the State. For the purpose of maintaining

necessary communications and service, the Vendor will designate a primary contact person. The Vendor guarantees that the person so designated will be available throughout the emergency.

**USE OF SUBCONTRACTORS FOR DELIVERY AND/OR OTHER SERVICES**

In the event the bidder proposes to use subcontractors to provide any services, the name(s), address, telephone and fax number and a detailed description of the services to be provided by the subcontractor(s) are required to be submitted as part of the bid response for approval. The State reserves the right to request additional information or to inspect their facilities in order to determine their ability to satisfactorily perform the services under this RFQ.

Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

**Prices:**

**Differential Pricing**

The State is interested in signing a differential price contract. Prices quotes shall be based on the lowest Providence Terminal Tank Car Price as found under the daily Petroleum Prices of the OPIS (Oil Price Information Service) daily for No.2 Heating Oil pricing.

Price is net F.O.B destination including all customs duties and charges and delivery into Agency's storage tanks. No additional charges will be accepted, except as noted in the solicitation.

The following exceptions will apply. Saturday, Sunday and Monday Holiday pricing will be based on the previous Friday's Posting. Prices in effect for midweek or Friday holidays will be based on prices posted for the preceding day.

Corrections to posted prices previously stated in the OPIS Price Daily will be considered only when caused by a typographical or clerical error on the part of said service provided.

Vendors Bid to show increments in decimal + (plus) or - (minus). The basis indicated above the increments shall include delivery but NOT include taxes and fees. Rhode Island Tax for Motor Fuel does NOT apply to this solicitation. Requested fuel is for NON-Road use and must include dye color for indication of Non-Road use fuel.

**Taxes**

State agencies and political subdivisions are specifically exempt from all Taxes. The prices quoted shall be exclusive of said taxes. The State will supply the tax exemption certificate when requested.

**This contract is subject to the following Taxes/Fees ONLY:**

- Leaking Underground Storage Tank Trust Fund (LUST Fee Tax)
- RI Oil Spill Prevention Tax
- Federal Oil Spill Tax
- Underground Storage Tank Fee (only applicable to underground tank)

\*DO NOT include these taxes in your increment. The increment shall be indicated within each District on the attached Bid Proposal Sheet.

In the event that the terminal with the low posted price does not have product, it will be the responsibility of the vendor to report this outage to the Division of Purchases. Proper documentation will be required before any request for deviation from low posting can be considered.

The Posting base from above, plus or minus the increment, yields the Total Net Unit Price.

**Billing:**

Vendor shall be required to Bill once per month on a non-statement strictly individual invoice bases (No Balance Forward), which will be forwarded directly to the "Bill To" address. The State of Rhode Island cannot make payment from a statement. Payment should not be expected immediately after each delivery. Vendor must include taxes and fees for fuel in invoice but NOT include these taxes and fees in their bid increment.

**Price Changes:**

Price subject to increase or decrease as noted in the publication used. Changes are to be based upon the postings of the New York Journal of Commerce and the lowest Providence terminal Tank Car Price. The posting date, not the date of issue, will be the base. Only changes at the time of delivery need be reported for Saturday, Sunday or Holidays (where there is no posting); the previous posting will apply.

Should a correction appear within a later issue, the correction will be effective only in the event that it is three cents (¢3) or greater. It will be the responsibility of the vendor to make the appropriate changes. The State reserves the right to audit the records used in the computation of any requested increase.

Commodity: BioHeat, Off-Road ULS Diesel, Kerosene (MPA #105)		
<b>Solicitation #7550220 - PRICE SHEET</b>		
Vendors must compete and submit this sheet with their proposal.		
Provide a Differential Price based on the lowest Providence Terminal Tank Car Price as found under the daily Petroleum Prices of the OPIS (Oil Price Information Service) daily for No. 2 Heating Oil pricing. All pricing must be submitted to the fourth decimal place \$0.0000		
<b>Price Response Form</b>		
<b>Item</b>	<b>District 1</b>	<b>Differential Price Only (Do not include taxes in Differential price)</b>
1A	BioHeat B5	
1B	BioHeat B20	
1C	Off-Road Ultra-Low Sulfur Diesel Fuel	
1D	Kerosene	
<b>Item</b>	<b>District 2</b>	
2A	BioHeat B5	
2B	BioHeat B20	
2C	Off-Road Ultra-Low Sulfur Diesel Fuel	
2D	Kerosene	
<b>Item</b>	<b>District 3</b>	
3A	BioHeat B5	
3B	BioHeat B20	
3C	Off-Road Ultra-Low Sulfur Diesel Fuel	
3D	Kerosene	
<b>Item</b>	<b>District 4</b>	
4A	BioHeat B5	
4B	BioHeat B20	
4C	Off-Road Ultra-Low Sulfur Diesel Fuel	
4D	Kerosene	
<b>Item</b>	<b>District 5</b>	
5A	BioHeat B5	
5B	BioHeat B20	
5C	Off-Road Ultra-Low Sulfur Diesel Fuel	
5D	Kerosene	
<b>Item</b>	<b>District 6</b>	
6A	BioHeat B5	
6B	BioHeat B20	
6C	Off-Road Ultra-Low Sulfur Diesel Fuel	
6D	Kerosene	
<b>Item</b>	<b>District 7</b>	
7A	BioHeat B5	
7B	BioHeat B20	
7C	Off-Road Ultra-Low Sulfur Diesel Fuel	
7D	Kerosene	
<b>Item</b>	<b>District 8</b>	
8A	BioHeat B5	
8B	BioHeat B20	
8C	Off-Road Ultra-Low Sulfur Diesel Fuel	
8D	Kerosene	
<b>Item</b>	<b>District 9</b>	
9A	BioHeat B5	
9B	BioHeat B20	
9C	Off-Road Ultra-Low Sulfur Diesel Fuel	
9D	Kerosene	
<b>Item</b>	<b>District 10</b>	
10A	BioHeat B5	
10B	BioHeat B20	
10C	Off-Road Ultra-Low Sulfur Diesel Fuel	
10D	Kerosene	
<b>Item</b>	<b>Block Island</b>	
11	BioHeat B5	
	BioHeat B20	
	Off-Road Ultra-Low Sulfur Diesel Fuel	
	Kerosene	
	<b>Vendors to submit On-Call Hourly Rate Pricing for Item(s) Bidding</b>	<b>Hourly Rate Pricing</b>
	On-Call Hourly Rate on site for routine maintenance	
	On-Call Hourly Rate on site for repairs as needed	
	On-Call Overtime Hourly Rate on site for repairs as needed	
	Provide percentage (%) discount for parts/materials off manufacturers list price	